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City of Detroit

CITY COUNCIL

FISCAL ANALYSIS DIVISION
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ANNE MARIE LANGAN
DEPUTY DIRECTOR
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TO: Floyd Stanley, Deputy Director
Budget Department

FROM: Irvin Corley, Jr., Fiscal Analysis Director

DATE: April 29, 2011

RE: 2011-2012 Budget Analysis

24.

Attached is our budget analysis regarding your department's budget for the upcoming 2011-2012 Fiscal Year.

We would then appreciate a written response to the issues/questions by **Tuesday, May 10, 2011**. Please forward a copy of your responses to the Councilmembers and the City Clerk's Office.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

IC:ss

Attachment

cc: Councilmembers
Council Divisions
Auditor General's Office
Thomas Lijana, Finance Director
Donna McAlister, Budget Manager
Denise Gardner, Mayor's Office

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Budget Department (12)

FY 2011-2012 Budget Analysis by the Fiscal Analysis Division

Summary

The Budget Department is a General Fund Agency. The Mayor's 2011-2012 Proposed Budget include appropriations of \$2,604,707, which is an increase of \$278,796 or 12.0% from fiscal year 2010-2011 budgets of \$2,325,911. The Department's net tax cost recommended for next year is \$2,604,707, \$278,796 less than the budgeted net tax cost of \$2,325,911 for the current year.

Overtime

The Mayor's 2011-2012 Proposed Budget includes overtime salaries of \$12,790, which is the same amount as the fiscal year 2010-2011 budget of \$12,790. As of March 31, 2011, the Budget Department has spent \$11,328 in overtime.

2010-2011 Surplus/(Deficit)

The surplus for the Budget Department is \$66,982 for fiscal year 2010-2011. The surplus amount is derived from an appropriation surplus, as the Budget Department does not account for revenues, due to salary savings.

Personnel and Turnover Savings

There are no projected personnel or turnover savings for this department.

<u>Appropriation/Program</u>	<u>Redbook Positions FY 2010- 11</u>	<u>Filled Positions 3/31/2011</u>	<u>Mayor's Budget Positions FY 2011- 12</u>	<u>Over/(Under) Actual to 10/11 Budget</u>	<u>Mayor's Recommended Turnover</u>
Budget (12):					
00226 Budget Department					
Operations	<u>19</u>	<u>25</u>	<u>18</u>	<u>6</u>	<u>\$ -</u>
10XXXX Worker's Comp.	0	(6)	0	(6)	\$ -
TOTAL	<u>19</u>	<u>19</u>	<u>18</u>	<u>0</u>	<u>\$ -</u>

Proposed Layoffs and Position Changes

The Mayor's 2011-2012 Proposed Budget includes layoffs of a Manager I, Senior Budget Analyst, and Executive Secretary. The net effect is the decrease of one position. According to the Budget Department, there are no vacate positions.

Significant Funding by Appropriation

<u>Appro.</u>	<u>Program</u>	
00226	Budget Department Operations	The Mayor's 2011-2012 Proposed Budget includes \$2,604,707 for appropriations. This reflects an increase of \$278,796 or 12.0% from the 2010-2011 Budget of \$2,325,911. The majority of this increase is made up of a \$270,285 increase in salaries and benefits.

Issues and Questions

1. What are the job duties for Org Design and Process Analysts?
2. Are the Org Design and Process Analysts new hires to the city?
3. Why is the Budget Department losing four positions in Operations? Are personnel being layed off or transferred to other agencies/departments?
4. Why are Salaries and Wages and Employee Benefits increasing by \$278,796 when employees are being laid off and taking 10% pay cuts?